GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:455
ANSWERED ON:23.08.2001
REVIVAL PACKAGE FOR NTC MILLS
LAKSHMAN CHANDRA SETH;UTTAMRAO NATHUJI DHIKALE

Will the Minister of TEXTILES be pleased to state:

(a) whether the revival package for the NTC Group of mills has been delayed due to various constraints;

(b) if so, whether the Group of Ministers had already submitted the report in this regard;

(c) if so, the main recommendations made by the Group of Ministers;

(d) whether the Textile Research Association has been asked to finalise NTC mills that could be revived and those which have to be shut down; and

(e) the time by which a final decision is likely to be taken in this regard?

Answer

MINISTER OF TEXTILES (SHRI KASHI RAM RANA)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION No. 455 23.8.2001.

(a) to (c) Yes Sir. Eight NTC subsidiaries stand referred to BIFR under The Sick Industrial Companies (Special Provisions) Act 1985.

There were several constraints like mobilisation of resources through sale of surplus lands involving concurrence of State Governments, arriving at agreement with secured creditors for unencumbering the assets etc, which delayed the finalisation of revival plan.

Government considered these at various levels including that of Group of Ministers and decided that maximum number of operationally viable mills may be revived and those, which are not revivable, may be closed after protecting workers` interest by giving attractive VRS to those affected.Government have already communicated this approach to Operating Agencies/ BIFR and have also given `in principle` commitment for certain financial sacrifices for revival of these companies.

(d) Textile Research Associations have studied techno-economic viability of the NTC mills and submitted Reports to Operating Agencies(OAs) of BIFR (IDBI &IFCI).

(e) OAs are in the process of preparing Draft Revival Schemes (DRSs) for submission before BIFR. On submission of DRSs, BIF will take a final decision in the matter.